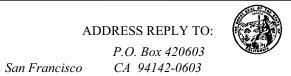
DEPARTMENT OF INDUSTRIAL RELATIONS DIVISION OF LABOR STATISTICS & RESEARCH 455 Golden Gate Avenue, 9th Floor San Francisco, CA 94102



TRAVEL AND SUBSISTENCE PROVISIONS

FOR

LANDSCAPE OPERATING ENGINEER

IN

IMPERIAL, INYO, KERN, LOS ANGELES, MONO, ORANGE, RIVERSIDE, SAN BERNARDINO, SAN DIEGO, SAN LUIS OBISPO, SANTA BARBARA, AND VENTURA COUNTIES

MASTER LABOR AGREEMENT

between

KCI ENVIRONMENTAL, INC.

and THE INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL UNION NO. 12

This Agreement entered into this 1st day of October , 2007 , by and between KCI ENVIRONMENTAL, INC., signatory hereto, hereinafter referred to as the "Employer", and the INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL UNION NO. 12, affiliated with the Building and Construction Trades Department of the AFL-CIO, hereinafter referred to as the "Union".

PURPOSE

The Employer is engaged in Landscape and Irrigation and Site Development work in Southern California and Nevada, and in the performance of their present and future operations, are employing and will employ workmen under the terms of this Agreement. The Employer wants to be assured of their ability to procure workmen in the geographic area hereinafter defined in Article I, in sufficient number and with sufficient skill to assure continuity of work in the completion of their construction work. The Union and the Employer, by this Agreement, intend to establish uniform rates of pay, hours of employment and working conditions for the employees covered by this Agreement. The Union and the Employer further intend by this Agreement to provide, establish and put into practice an effective method for the settlement of misunderstandings, disputes or grievances, with the thought in mind that the Employer is assured continuity of operation and the employees of the Employer are assured continuity of employment and industrial peace is maintained.

B. Parking: In the event free parking facilities are not available within three hundred fifty (350) yards of a jobsite, the individual Employer will provide such facilities and the individual Employer shall have the right to designate parking areas to be used. Where, because of congested parking conditions, it is necessary to use public facilities, the Employer shall reimburse the employee for the cost of such parking upon being presented with a receipt or voucher certifying to the cost thereof, such reimbursement to be made on a weekly basis or at the conclusion of the project, whichever occurs earlier. Designated parking areas shall be reasonably level and graded to drain.

D. <u>Jobsite Transportation</u>: Whenever, because of remoteness of parking areas, hazardous road conditions or security restrictions, the Employer is required to furnish transportation for men within the jobsite to the place of their work, this transportation shall be equipped with seats and handrails.

M. Special Rules:

4. Employees shall travel to and from their daily initial reporting place on their own time and by means of their own transportation. The Contractor shall be responsible for payment of wages from the reporting point (parking area), as ordered by the Contractor, to the jobsite and from job to job and return. How-ever, employees who voluntarily report to a point for free transportation to the jobsite will not be compensated for the time enroute and return. For off-shore work, employees will receive travel pay at straight time rates from point of embarkation to jobsite and from jobsite to debarkation, regardless of mode of transportation.

5. Jobsite Transportation:

a. Whenever, because of remoteness of parking areas, hazardous road conditions or security restrictions, the Employer is required to furnish transportation for men within the jobsite to the place of their work, this transportation shall be equipped with seats and handrails.

P. Subsistence:

- 1. In the subsistence area as hereafter defined in "Exhibit A", subject to the exceptions noted below, subsistence shall be paid at the rate of Thirty Dollars (\$30.00) per scheduled work day. There shall be no prorating of subsistence. Subsistence shall apply to workmen and/or employees who report to work and for whom no work is provided.
- a. Effective on all work bid after July 1, 2007, the areas inside the boundaries of China Lake Naval Reserve, Vandenburg Air Force Base Point Arguello, Seely Naval Base, Fort Erwin Army Base, Nebo Annex Marine Base, Marine Corp Logistics Base Yermo, Edwards Air Force Base and 29 Palms Marine Base, Zone Pay as hereinafter defined in "Exhibit A" shall apply for which the hourly rate of pay will be Three Dollars and seventy-five cents (\$3.75) per hour above the regular rate and shall become the base rate for the entire shift.
- b. Zone pay is hereafter established effective July 9, 2007, and defined as Exhibit "B" subject to the exceptions noted below, zone pay shall be paid at the rate of Two Dollars (\$2.00) per hour above the regular rate of pay and shall become the base rate for the entire shift. This zone pay area is located in the northern portion of "Exhibit B" delineated by the color blue.

Those areas defined in "Exhibit B" by the color yellow shall be One Dollar (\$1.00) per hour above their regular rate of pay and shall become their base rate for the entire shift.

- An employee or workman who is required to report or perform any work in a subsistence area, for any portion of the day or shift, shall receive the established subsistence rate for the entire day or shift.
- 3. Exception to the above requirements may be taken and no subsistence furnished or paid in the following instances:
- Where the work performed on the job or project is located entirely within the free zone designated in "Exhibit A".
- When the home of an employee, at the time a job is bid or commitment made on nonbid jobs, is located within the subsistence area and within a 30-mile radius of the center of the job or project, which is also located in the subsistence area.
- Where subsistence is applicable, when the Contractor advises the C. employee that the project will be discontinued for a period of two (2) days, he shall give the employee the opportunity to return to his home and subsistence shall not be applicable for these days. If such notice is not given to the employee, subsistence shall be payable for days that work is discontinued.
- Subsistence shall be paid at the rate of Thirty-Two Dollars (\$32.00) per day in the Counties of Inyo and Mono.
- Where the home of an employee, at the time a job is bid or commitment is made on nonbid jobs, is located within a 50-mile radius of the center of a job or project in Inyo and Mono Counties, subsistence will not be applicable.
- Subsistence, as provided in Paragraphs P-I and P-2 hereof, shall be paid on jobs on the following off-shore islands:

Richardson Rock

San Miguel Island

Santa Cruz Island

Santa Barbara Island

Arch Rock

San Clemente Island

San Nicholas Island

Santa Rosa Island

Santa Catalina Island Anacapa Island (Channel

Islands Monument)

In the event campsites are established on off-shore islands, in lieu of subsistence, they shall be maintained and operated inclusive of all the stipulations set forth below. Employees reporting at the embarkation point for travel, to the above named islands, shall be paid travel time from the mainland to the island and return at the straight time rate and in no event shall the travel time be less than one (1) hour, regardless of mode of travel. Travel time shall start and end at the point of embarkation, at the time and place designated by the Employer.

- 7. The Contractor may provide and maintain acceptable room and board, seven (7) days per week, in compliance with California State Laws, in lieu of subsistence.
- 8. In the event a campsite is established, employees shall receive travel time from the campsite to the jobsite, and back to the campsite, at the straight time rate of pay.
- 9. Employees shall not be transported to and from the campsite or jobsite unless the transporting vehicle meets all safety requirements and the stipulations as set forth in the California Vehicle Code for the transportation of workmen.
- 10. Payments of subsistence shall be identified, reflecting the number of calendar days of subsistence.
- 11. Work performed under this Agreement in the subsistence area in San Diego County shall be in conformance with the Master Labor Agreement for Construction between the Union and the General Contractors Association.
- 12. Work performed under this Agreement in zone pay in the Counties of Clark, Esmeralda, Lincoln or Nye in Nevada shall be in conformance with the Nevada Master Labor Agreement for Construction between the Union and the Contractor Association.